of 15th March, 1950. There is no fixed strength of Members in the Planning Commission.

(b) and (c) It is proposed to bring in some functional changes in the working of the Commission in the context of implementation of the Economic Reforms so that the Commission could concentrate more on new emerging areas/trends. There is no proposal to seek the advice of Inter-State Council.

Performance of IREL

*76. SHRI PARMESHWAR KUMAR AGARWALLA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the physical performance of the Indian Rare Earths Limited has shown a declining trend during 1996-97 and 1997-98;

(b) if so, the reasons therefor; and

(c) what steps have been taken by Government to change this trend?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SMT. VASUNDHARA RAJE): (a) As compared with 95-96, there was a decline in production during 1996-97. However there was significant recovery during 97-98 resulting in higher production and better financial performance.

(b) The main reasons for decline in production during 1996-97 were:

(i) Agitation by the workers for about 4 months demanding payment of bonus to those not entitiled to it in one of the plants of the company, *viz.* Chavara.

(ii) Inadequate availability of raw sand for mining due to the resistance by the local inhabitants against the collection of beach washings at Manavalakurichi and Chavara.

(iii) Suspension of operation of the Synthetic Rutile Plant for modifications in the process parameters.

(c) An additional minerals recovery plant has been commissioned in Chavara which facilitated inland mining. Efforts to persuade the local inhabitants were continued for improving the availability of raw sand. Modifications were made in the dredge & wet concentration plant at the Orissa Sands Complex at Chatrapur in Orissa which resulted in a significant increase in availability of concentrates. An extensive research & development effort was undertaken to modify the process for synthetic rutile production which is expected to increase efficiency, simplify operation and reduce the cost of the production. The modified process has been evaluated and trial production is planned from January 99. A value added production plant, namely PRYNCE, for production of neodymium oxide (which finds application in production of permanent magnets), was also commissioned in 1997 in the Rare Earths Division in Always in Kerala.

Natural Calamity Releif Fund

*77. SHRI SANJAY NIRUPAM: Will the PRIME MINISTER be pleased to state:

(a) whether Government propose to set up a Natural Calamity Releif Fund to provide relief in the event of natural calamities like floods, earthquakes etc. to the affected States;

(b) if so, the details of the scheme in this regard; and

(c) by when this fund will come into existence?

THE MINISTER OF STATE IN THE MINISTERY OF AGRICULTURE (SHRI SOMPAL): (a) to (c) Such a fund came into being when the Ninth Finance Commission provided for the constitution of a Calamity Relief Fund (CRF) with an annual allocation of Rs. 804.00 crore for the period 1990-91 to 1994-95 with a separate existence from the general revenues of the State. 75% of the CRF was contributed by the Government of